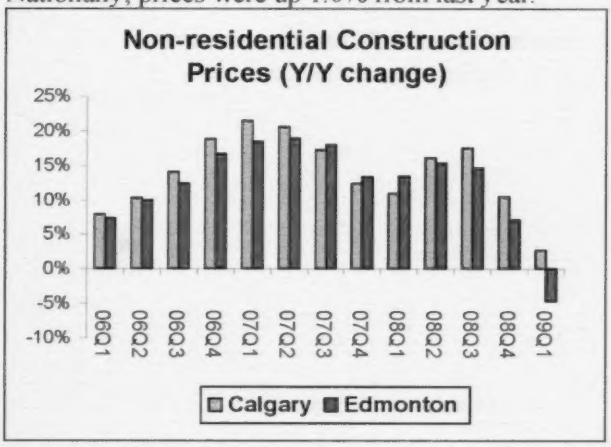
Non-residential Construction Price Index

Calgary sees gains…

In the first quarter of 2009, non-residential construction prices fell by 4.6% in Calgary and 7.9% in Edmonton from the previous quarter. In Edmonton, prices were down 4.7% from Q1 2008, but prices in Calgary were up 2.7% year-over-year. Nationally, prices were up 1.0% from last year.



Housing Market

Home prices cool, but home sales perk up…

The price of a new home in Alberta continued to decrease in March, falling 1.2% from February. However, the continued drop in prices and low interest rates attracted home buyers in Alberta. Calgary saw an increase in sales of 23.4% over March, while Edmonton saw a month-over-month increase of 33.6%. Sales in Edmonton were also up 1.1% since last April, making this the first month in 2009 to see year-over-year gains. Nationally, MLS sales increased for the third month in a row.

New Motor Vehicle Sales

Signs of stabilization…

Albertans drove 14,946 new cars and trucks off the lots in March, a modest 1.5% (seasonally adjusted) increase from February. Canadian new motor vehicle sales were up 6.1% in March, to 122,194 units. Despite Alberta's lower-than-average increase, it remains encouraging to see signs of economic optimism among consumers.

Canadian Dollar (US¢/CS)	
May 15, 2009	85.06
May 8, 2009	86.35
2008-10 YTD	82.97
WTI Oil US$/bbl	
May 14, 2009	$ 58.62
May 7, 2009	$ 56.71
2008-10 YTD	$ 52.13
Nymex Natural Gas CS/MMBtu *	
Near-month Contract	
May 15, 2009	$ 4.89
May 8, 2009	$ 4.90

* Estimate based on Nymex Futures Market Price

Merchandise Trade Balance

Decline in exports persists…

Alberta's merchandise exports continued to slip in March, falling by 3.9% from February, to $5.60 billion. The decline was led by a 10.2% drop in energy exports.

Manufacturing Shipments

More bad news in March…

Manufacturing shipments in Alberta fell 4.9% (seasonally adjusted) in March. The drop was led by a 23.1% decline in the machinery manufacturing industry. Canadian manufacturing shipments were also down, with a 3.5% month-over-month drop from February.

Insolvency Statistics

Economic crisis takes its toll…

Bankruptcies in Alberta increased dramatically in March, with the total number of filings up 30.9% from February and 91.1% since March of 2008. Consumers bore the brunt of the rise, with personal bankruptcies increasing 99.8% year-over-year. The number of bankruptcies filed by businesses actually decreased in March, down 29.5% from February and 18.4% year-over-year.

Oil and Gas Markets

Prices retreat on grim economic news…

Oil and natural gas prices gave up their weekly gains on Friday morning amid news of weak U.S. retail sales and a 2.5% drop in Euro-zone Q1 GDP.

Alberta

CURRENT ECONOMIC INDICATORS

May 15, 2009

Overall Economy		2007	2008	2009YTD*	Nov	Dec	Jan	Feb	Mar	Apr
Real GDP (in 2002 $billions)		187.5	187.0	--	--	--	--	--	--	--
% change		3.1	-0.2	--	--	--	--	--	--	--
Nominal GDP ($ billions)		258.9	291.7	--	--	--	--	--	--	--
% change		8.1	12.6	--	--	--	--	--	--	--
Population[1] (000's) (level)		3,511	3,585	3,632	--	--	3,632	--	--	--
% change		2.6	2.1	2.4	--	--	2.6	--	--	--
Net Interprovincial Migraton[1] (level)		33,809	10,010	11,125	--	--	6,198	--	--	--
Net International Migration[1] (level)		16,136	19,283	9,004	--	--	4,097	--	--	--
Net Non-permanent Residents[1] (level)		13,539	17,890	12,931	--	--	4,870	--	--	--
Labour Market										
Employment (000's)		1,959	2,013	2,002	2,032	2,023	2,026	2,002	1,987	1,993
% change		4.7	2.8	-0.1	3.2	1.5	1.2	0.2	-1.0	-0.9
Unemployment Rate (%)		3.5	3.6	5.4	3.5	4.2	4.4	5.4	5.8	6.0
Average Hourly Wage Rate		6.0	5.7	4.6	5.0	4.1	6.2	4.5	3.6	--
Average Weekly Earnings[2]		5.8	6.0	6.2	7.6	6.3	7.0	5.4	--	--
Labour Income[3]		11.3	8.4	--	7.3	6.8	--	--	--	--
Price Indices										
Consumer Price Index		5.0	3.1	1.4	2.1	1.9	1.2	2.1	0.9	--
Excluding food and energy		4.9	1.9	1.7	1.8	1.7	1.5	2.0	1.4	--
Non-Res. Const. Cost Index[4] (quarterly)	NSA:	17.3	13.2	-1.0	--	8.8 (Q4)	--	--	-1.0(Q1)	--
Farm Product Price Index		14.3	11.1	-7.1	-0.9	-4.7	-6.2	-7.9	--	--
Crops		41.4	26.3	-24.3	-14.9	-20.7	-22.8	-25.7	--	--
Livestock		0.7	2.1	13.0	17.7	13.5	13.7	12.4	--	--
Household Sector										
Housing Starts (SAAR, 000's)		48.1	29.0	13.2	20.5	20.0	15.7	12.6	11.9	12.4
% change		-2.1	-39.7	-65.2	-52.7	-48.3	-53.0	-59.4	-75.1	4.2
New Housing Price Index	NSA:	22.5	0.7	-9.7	-5.1	-6.1	-8.4	-9.6	-10.5	--
Edmonton		32.1	1.0	-12.1	-7.9	-8.2	-10.4	-12.2	-12.3	--
Calgary		16.2	0.6	-7.3	-2.5	-4.3	-6.5	-7.1	-8.7	--
MLS Average Resale Prices		24.3	-1.4	-9.1	-4.2	-7.4	-10.0	-9.2	-10.4	-6.8
Edmonton	NSA:	34.3	-2.0	-7.7	-2.0	-5.7	-4.5	-8.7	-10.1	-7.4
Calgary		18.7	-2.9	-10.9	-6.0	-9.4	-11.4	-10.8	-11.3	-10.1
Retail Sales		9.3	-0.1	-9.9	-5.6	-7.7	-6.4	-13.4	--	--
New Motor Vehicle Sales	NSA:	3.3	-7.3	-30.1	-11.6	-23.6	-22.5	-35.4	-31.9	--
Business Sector										
Public and Private Investment[5]		9.1	3.6	-14.0	--	--	--	--	--	--
Mining and oil and gas[5]		0.3	-1.4	-28.2	--	--	--	--	--	--
Rigs Drilling		-35.2	-2.1	-43.8	3.5	-10.2	-24.4	-43.9	-60.8	-42.0
Goods Exports (customs based)		5.3	33.2	-28.7	16.4	-7.9	-27.3	-30.2	--	--
Energy		4.4	40.9	-33.2	18.0	-7.9	-31.5	-35.1	--	--
Agriculture		9.8	28.6	0.0	35.8	16.8	-3.4	3.6	--	--
Total Farm Cash Receipts (quarterly)		11.9	15.2	--	--	8.5 (Q4)	--	--	--	--
Manufacturing Shipments	NSA:	1.9	6.9	-13.9	-4.6	-8.2	-13.4	-14.6	-13.8	--
Wholesale Trade		5.0	10.9	-0.9	5.9	13.6	4.5	-6.1	--	--
Building Permits		13.4	-16.5	-51.5	-14.7	-29.1	-52.5	-67.5	-29.8	--
Residential		10.7	-31.5	-58.9	-42.2	-37.2	-67.0	-72.5	30.5	--
Non-residential		17.1	3.7	-44.2	24.5	-21.4	-40.2	-62.9	--	--

Government of Alberta
Finance and Enterprise

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30). The January population estimate is also the 2009 year-to-date value.

[2] The average weekly earnings series was extensively revised on March 31, 2009 and is no longer comparable with numbers in previous Bulletins

[3] Total income earning in Alberta including wages and salaries, and supplementary income.

[4] Average of Calgary and Edmonton.

[5] 2009 based on initial investment intentions, 2008 preliminary actuals, and 2007 actuals

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association) and Rigs Drilling (Canadian Association of Oilwell Drilling Contractors).

Alberta

CURRENT ECONOMIC INDICATORS, BY PROVINCE

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Conference Board Forecast (Winter 2009)											
Real GDP Growth											
2007 (actuals, Statistics Canada)	**2.7%**	9.1%	2.4%	1.7%	1.7%	2.7%	2.3%	3.3%	2.5%	**3.1%**	3.0%
2008 (actuals, Statistics Canada)	***0.5%***	-0.1%	0.9%	2.0%	-0.0%	1.0%	-0.4%	2.4%	4.4%	**-0.2%**	-0.3%
2009	***-0.5%***	-2.6%	0.6%	-0.3%	0.2%	-0.4%	-1.2%	1.0%	1.6%	**-0.5%**	-0.1%
Population (As of January 1, 2009)											
Population	**33,504,680**	508,990	140,402	939,531	748,319	7,782,561	12,986,857	1,213,815	1,023,810	**3,632,483**	4,419,974
Annual Growth Rate[a]	***1.21%***	0.24%	1.25%	0.25%	0.23%	0.86%	1.05%	1.11%	1.50%	**2.58%**	1.70%
Net Interprovincial Migration											
2008 Census Year (July 1, 2007 to June 30, 2008)		1,299	42	-117	-325	-12,399	-16,522	-503	8,067	**10,010**	11,458
4th Quarter (October 1, 2008 to December 31, 2008)		292	-503	108	264	-2,139	-6,517	249	949	**6,198**	1,453
Employment											
Level Change (000s)[b]	**-270.4**	-8.7	-1.8	-3.5	-1.5	-10.9	-160.9	-8.2	9.7	**-18.2**	-66.4
Percent Change[b]	***-1.6%***	-4.1%	-2.7%	-0.8%	-0.4%	-0.3%	-2.4%	-1.4%	1.9%	**-0.9%**	-2.9%
Unemployment Rate, 2009 avg (SA)	***7.7***	14.7	12.0	8.9	9.0	8.1	8.5	4.8	4.6	**5.4**	6.9
Participation Rate, 2009 avg (SA)	***67.4***	59.1	67.5	64.5	64.8	65.3	67.6	69.3	70.4	**74.6**	65.8
Average Weekly Earnings											
February 2009	**820.95**	785.86	674.74	727.89	736.16	752.77	845.19	768.25	803.63	**973.61**	786.99
Y/Y Percent Increase[c]	***1.9%***	4.5%	2.6%	3.3%	2.1%	2.2%	1.0%	2.3%	3.5%	**5.4%**	-0.7%
2009 Wage Settlements										**1.5%**	
CPI Inflation											
March Annual	**1.2%**	0.5%	-0.2%	0.0%	0.2%	0.8%	1.8%	1.1%	1.8%	**0.9%**	1.1%
Excluding Shelter	**0.9%**	0.1%	0.7%	-0.1%	0.3%	0.5%	1.1%	0.2%	0.2%	**1.1%**	1.4%
Housing Starts (000s)											
SAAR April 2009	**117.4**	2.8	0.5	2.5	4.2	40.9	36.3	3.1	2.9	**12.4**	11.7
Retail Sales											
Percent Change[d]	**-8.9%**	-4.9%	-7.5%	-8.2%	-7.4%	-7.0%	-7.4%	-7.5%	-5.9%	**-13.4%**	-12.9%
2009 YTD Retail Sales Growth	**-6.7%**	-3.2%	-3.6%	-4.8%	-3.5%	-4.9%	-6.3%	-4.5%	-2.7%	**-9.9%**	-9.8%
Manufacturing Shipments											
Percent Change[d]	**-14.5%**	-27.1%	9.1%	-12.9%	-25.8%	-15.4%	-14.5%	2.7%	-4.4%	**-13.8%**	-17.1%

a. Over the past 12 months
b. April 2009 Y/Y change, unadjusted for seasonal effects
c. Updated to January 2009
d. March 2009 Y/Y change, unadjusted for seasonal effects
SA-Seasonally Adjusted
Source: Statistics Canada, Canada Mortgage and Housing Corporation and Conference Board of Canada